

BAE Systems, Inc. Retiree Health Reimbursement Account Plan

Summary Plan Description

January 1, 2023

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: **1 844 779 9565** (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

TABLE OF CONTENTS

| | |
|---|-----------|
| Introduction | 6 |
| How This Plan Works | 6 |
| Participation in the Plan | 8 |
| Eligible Retirees | 8 |
| You are eligible for an HRA if you: | 8 |
| You are not eligible for an HRA if you: | 11 |
| Eligible Surviving Spouses | 11 |
| Establishing an HRA | 11 |
| Contributions to Your HRA | 12 |
| Tax Information | 13 |
| Highly Compensated Individuals | 13 |
| Year-End Remaining HRA Balances | 13 |
| Eligible Expenses | 13 |
| End of Participation | 14 |
| When Participation Ends | 14 |
| Access to HRA After Death | 14 |
| Continuing Coverage Under COBRA | 15 |
| Divorce | 15 |
| Child's Loss of Eligibility | 15 |
| COBRA Notification | 16 |
| Electing COBRA Coverage | 16 |
| When COBRA Coverage Ends | 16 |
| Claims Information | 16 |
| How to Get Expenses Reimbursed | 16 |
| Auto-Reimbursement | 17 |
| Filing a Form for Reimbursement | 18 |
| Information Required for Reimbursement | 18 |
| Receiving Reimbursements | 19 |
| Deadline for Claims | 19 |
| Responding to Your HRA Claim | 19 |
| Additional Information Required | 19 |
| Extensions | 19 |

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

| | |
|---|-----------|
| If Your Claim Is Denied | 20 |
| Appealing Your Claim | 20 |
| If Your Appeal Is Denied | 21 |
| Voluntary Internal Appeal | 21 |
| Deadline for Taking Legal Action | 22 |
| Uncashed Checks | 22 |
| Administrative Information | 23 |
| Discretionary Authority of the Plan Administrator | 23 |
| Clerical Error | 23 |
| Plan Termination | 23 |
| Nonassignment of Benefits | 23 |
| Name of the Plan | 24 |
| Plan Sponsor | 24 |
| Plan Administrator | 24 |
| Plan Year | 24 |
| Employer Identification Number | 24 |
| Plan Number | 24 |
| Plan Type | 24 |
| Plan Funding | 24 |
| Plan Administration | 24 |
| Agent for Service of Legal Process | 24 |
| Glossary | 25 |
| Administrator or Plan Administrator | 25 |
| Alight Retiree Health Exchange | 25 |
| Appeals Reviewer | 25 |
| Child(ren) | 25 |
| Claims Administrator | 25 |
| Code | 25 |
| Company or BAE Systems | 25 |
| Contribution | 26 |
| Domestic Partner | 26 |
| ERISA | 26 |
| Highly Compensated Individual | 26 |
| HRA | 26 |
| Medicare | 26 |

| | |
|---------------------------------------|-----------|
| Medicare Eligible (Medicare-Eligible) | 26 |
| Off-Private Exchange Coverage | 26 |
| Other COBRA Coverage | 27 |
| Participant(s) | 27 |
| Plan | 27 |
| Pre-Medicare-Eligible | 27 |
| Private Exchange Coverage | 27 |
| Qualifying Coverage | 27 |
| Spouse | 27 |
| You | 27 |
| Your ERISA Rights | 29 |
| Your Rights Under ERISA | 29 |
| Receive Information About the HRA | 29 |
| Enforce Your Rights | 29 |
| Assistance with Your Questions | 30 |
| An Important Note About Your Privacy | 30 |

Introduction

This Summary Plan Description (“SPD”) provides a summary of the BAE Systems, Inc. Retiree Health Reimbursement Account Plan (“Plan”), a welfare program of the BAE Systems Retiree Welfare Benefit Plan (“Retiree Plan”). The information in this SPD is only a summary, and this SPD does not contain all of the details of the written Plan document. If there are any discrepancies between this SPD and the Plan document, the Plan document will govern.

This SPD applies to you if you meet the eligibility criteria in this SPD and you retired or will retire from one of the groups as provided later in this SPD.

It is important for you to read this SPD to understand what is covered by the Plan, when you are entitled to this benefit, and the extent of your coverage. When you join the Plan, you (and your Spouse or Child who receive coverage or benefits under the Plan, if applicable) agree to accept the Plan as it is today or as it may be amended in the future.

BAE Systems, Inc. (“BAE Systems”) reserves the right to modify, amend, suspend, or terminate the Plan at any time. The benefits described in this SPD are provided at the discretion of BAE Systems and do not create a contract of employment. A modification, amendment, suspension, or termination may occur without the consent of and without prior notice to any active or former employee, participant, or dependent, as permitted by applicable law.

Because of the many detailed provisions of the Plan, no one other than the office of the Plan Administrator and the delegated representatives indicated in this SPD are authorized to advise you as to your benefits. For this reason, BAE Systems cannot be bound by statements made by unauthorized personnel.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). The information contained in this document is intended to meet the federal disclosure requirements for SPDs of welfare benefit plans.

If you have difficulty understanding this benefit description in English, we will provide you with translation assistance. If you need assistance or have any questions after reading this SPD, please contact the Alight YSA at 1 844 779-9565 from 9 a.m. to 9 p.m. Eastern time Monday through Friday.

Si tiene dificultades para entender esta descripción en Inglés, le proporcionará ayuda en la traducción. Si usted necesita ayuda o tiene alguna pregunta después de leer este SPD, póngase en contacto con Alight YSA al 1 844 779-9565 de 9 a.m. a 9 p.m., hora del Este, de lunes a viernes.

How This Plan Works

The Plan is a health reimbursement arrangement that offers you a way to be reimbursed for you and your Spouse’s or Child’s medical, dental, and vision premium expenses if the Plan’s requirements are met. In order to participate in the Plan, among other things, you must continuously be enrolled in Qualifying Coverage. However, please note that Qualifying Coverage is separate and apart from coverage under this Plan, and Qualifying Coverage does not constitute a part of this Plan. This document does not make any representations as to the nature or extent of Qualifying Coverage.

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

As explained in this document, BAE Systems will make an initial and annual Contribution to your HRA, which is an individual notional account under this health reimbursement arrangement.

BAE Systems will designate the annual amount of the Contribution that will be credited to your HRA in full as of January 1 of each calendar year that you remain eligible to participate in the Plan. Future annual Contributions will be included in your Renewal Letter in the fall of each year.

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: **1 844 779 9565** (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

Participation in the Plan

Eligible Retirees

You are eligible for an HRA if you:

- Are retired from BAE Systems, subject to the following:
 - An individual who retired prior to January 1, 2016 must have been enrolled in coverage as a retiree through the BAE Systems Funded Welfare Benefit Plan or the BAE Systems Medicare Supplement Funded Medical Plan as of December 1, 2015
 - Retirees who are rehired by BAE Systems will lose eligibility under the Plan for the period during which they are rehired. They will subsequently regain eligibility when they retire from the employment for which they were rehired. (Please note: If you accrue additional service during the period of your rehire, such additional service will not be taken into account for determining contributions under this Plan.)
- Reside in the United States.
- Began employment with a BAE Systems entity listed below prior to a certain date (as shown in the “Employment Date/Closed Group” column in the table below;) or, as of July 1, 2018, you were employed by BAE Systems Controls Inc., transferred to BAE Systems Aircraft Controls Inc., and remained employed after BAE Systems Aircraft Controls Inc. was merged into BAE Systems Controls Inc. through at least January 1, 2019:

| Legacy Retiree Group | Sponsoring Business Entity | Employment Date/ Closed Group |
|--|---|--|
| Regional Aircraft Controls (non-bargained) | BAE Systems, Inc. | Closed group – No new retirees |
| Information & Electronic Warfare Systems | BAE Systems Information and Electronic Systems Integration Inc. | Hired prior to October 1, 2001 |
| IEWS Field & International | BAE Systems Information and Electronic Systems Integration Inc. | Hired prior to October 1, 2001 |
| Reconnaissance & Surveillance Systems | BAE Systems Information and Electronic Systems Integration Inc. | Hired prior to October 1, 2001 |
| Heritage Loral Syosset (Fairchild) ISVZ – ISYY | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Heritage Loral Syosset L47LFSM & Brgn P35LFSS | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
 : 1 844 779 9565 (TTY use 711 relay)
 Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

| | | |
|--|---|--------------------------------|
| Heritage Loral Milpitas (Fairchild) ISVE – ISOO | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Heritage Loral Milpitas (Fairchild) L46 –LFSM | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Heritage Loral Yonkers (Tactical Systems) excluding L-95 | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Heritage Loral Yonkers (Tactical Systems) L95-LES | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Heritage Loral International L95LII | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Heritage Loral Manassas ELMM (Space Electronics) | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Heritage Loral Lexington (IR Imaging) | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Hazeltine | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Sanders 4A | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Sanders 4B | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Sanders 4C | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Sanders 4D | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| CalComp 10B | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Commercial Electronics 10B | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Commercial Navigation and Identification | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Mission Solutions LTD | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

| | | |
|----------------------------------|---|--------------------------------|
| Mission Solutions Rochester | BAE Systems Information and Electronic Systems Integration Inc. | Closed group – No new retirees |
| Land & Armaments (non-bargained) | BAE Systems Land & Armaments L.P. | Hired prior to January 1, 2009 |
| Norshipco Executives | BAE Systems Norfolk Ship Repair Inc. | Closed group – No new retirees |
| Norshipco Mgmt Team | BAE Systems Norfolk Ship Repair Inc. | Closed group – No new retirees |
| Vitro Early Retirement Options | BAE Systems Technology Solutions and Services, Inc | Closed group – No new retirees |

- Are at least age 55 and have at least 10 years of continuous service with a BAE Systems entity listed in the table above (subject to the transfer rules contained in the plan highlights for your legacy retiree group).
- Are not covered under a BAE Systems-sponsored health plan as a dependent (except for Other COBRA Coverage). If you are covered under a BAE System-sponsored health plan as a dependent, the 60- and 120-day periods in the bullet below run from the date that you lose such coverage.
- No later than 60 days from the date you lose coverage under a BAE Systems-sponsored health plan (i.e., the last day of the month in which you retire), enroll in (or, as described below, notify Alight Retiree Health Solutions that you enrolled in) Qualifying Coverage. This means that no later than the end of such 60-day period, you must:
 - if you are Medicare-Eligible, enroll in Private Exchange Coverage;
 - if you are Pre-Medicare-Eligible, either:
 - enroll in Private Exchange Coverage;
 - enroll in Off-Private Exchange Coverage, and within 120 days of the loss of coverage under a BAE Systems-sponsored health plan, notify Alight Retiree Health Solutions that you enrolled in such coverage by calling 844-779-9565; or
 - enroll in Other COBRA Coverage, and within 120 days of the loss of coverage under a BAE Systems-sponsored health plan, pay for Other COBRA Coverage.
- Continue to be enrolled in Qualifying Coverage.

Notwithstanding the foregoing, any individual participating in the Plan as of December 31, 2021 is deemed to have satisfied the eligibility criteria for participation in the Plan.

You will permanently forfeit HRA eligibility if you do not enroll in (and, if required above, notify Alight Retiree Health Solutions that you enrolled in) Qualifying Coverage within the dates described above, except if your lack of enrollment is due to your acceptance of federal premium assistance or subsidies, as specified below.

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

You are not eligible for an HRA if:

- You previously opted out of BAE Systems-sponsored group retiree coverage.
- You qualify for and accept federal premium assistance or subsidies for health care coverage purchased through a state or federal exchange (even if you also purchase Qualifying Coverage). In this case, you will regain eligibility as soon as you stop accepting federal premium assistance and subsidies for health care coverage purchased through a state or federal exchange and you meet all of the eligibility criteria listed in this document.

Note: If you accept federal premium assistance or subsidies for purchasing health care coverage from a state or federal exchange, request a Retiree HRA Opt-Out form by calling the BAE Systems Benefit Center at 888-900-4223. You must complete and return the Retiree HRA Opt-Out Form to the BAE Systems Benefits COE online at VAHN.BenefitsCOE@baesystems.com or by mail at :

BAE Systems Benefits COE
2941 Fairview Park Drive
Falls Church, VA 22042

You must decline enrollment in this Plan for each year that you accept federal premium assistance or subsidies. If you do not notify the BAE Systems Benefits COE promptly, you may lose your eligibility for federal premium assistance or subsidies due to your enrollment in this Plan.

- You are covered under a BAE Systems sponsored health plan as a dependent (except for Other COBRA Coverage).
- After you begin participation in the Plan, you are rehired by the Company during a Plan Year and remain employed on December 31 of that Plan Year, you will lose eligibility after December 31 of such Plan year through the date on which you terminate employment.
- You transferred outside of your legacy retiree group prior to January 1, 2022 and before reaching age 55 with ten years of service. Refer to the Plan Highlights for your legacy retiree group for specific transfer rules.

Eligible Surviving Spouses

If you are a Spouse of a BAE Systems employee who would otherwise have been eligible to participate in the Plan, except that such employee had not yet terminated from employment as of the date of his or her death, you may be eligible to participate in the Plan. Please contact the BAE Systems Benefits Center for more information.

Establishing an HRA

If you meet the eligibility requirements above, an HRA will be established as soon as administratively practicable after you begin participating in the Plan, generally within three weeks following your coverage effective date.

In no event will benefits be provided in the form of cash or any other taxable or nontaxable benefit other than reimbursement for Eligible Expenses, as described below. The HRA is a notional account, and the Administrator will not create a separate fund or otherwise segregate assets for you.

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

Contributions to Your HRA

BAE Systems will make an initial Contribution to your HRA when you first begin participating in the Plan based on the date you enroll in Qualifying Coverage and an annual Contribution thereafter. The initial Contribution will be credited to your HRA as soon as administratively practicable after you enroll in Private Exchange Coverage, notify Allight Retiree Health Solutions of your enrollment in Off-Private Exchange Coverage, or notify the BAE Systems Benefits Center of your enrollment in Other COBRA Coverage. The annual Contribution will be credited to your HRA as soon as administratively possible after each January 1. More information on the rate of Contributions can be found in the Plan Highlights page that constitutes part of your SPD or by contacting the BAE Systems Benefits Center.

Additional Contributions: You are eligible for HRA Contributions for one dependent who was on file with the BAE Systems Benefit Center immediately preceding your retirement. This dependent can be a Spouse or Child but under no circumstances can you add a dependent to this Plan after retirement. Your dependent must be enrolled in Qualifying Coverage as described in the Glossary in order to be eligible for a Contribution.

- **Spouse:** Contribution is based on your years of service and the Spouse's Medicare status. Should your Spouse continue to work after you retire and remain on his or her employer's group coverage, your Spouse can receive a HRA Contribution when he or she retires. To report your Spouse's retirement, call the BAE Systems Benefit Center.
- **Child:** Contribution is based on your years of service and the Child's Medicare status. If a Child becomes eligible for Medicare prior to age 26, the Child may continue to receive a HRA Contribution as long as you are participating in the Plan. Otherwise, the Child's Contribution continues until the end of the year in which the Child turns age 26.

If you become eligible in the middle of a Plan Year, the Contribution credited to your HRA will be prorated based on the number of months remaining in the Plan Year. You will not receive any Contributions to your HRA during any period in which your participation in the Plan ended because you are rehired by the Company. If you are not a Participant in the Plan as of January 1st of a Plan Year because you were employed by the Company as of December 31st of the prior Plan Year, you will be credited with a prorated notional annual contribution for the Plan Year in which you begin participation in the Plan again.

Similarly, if you become entitled to an additional contribution for your Spouse or Child in the middle of a Plan Year, any additional contribution on behalf of such individual will be prorated based on the number of months remaining in the Plan Year. For example, if your HRA is established on March 1, your Contribution will be 10/12ths of the amount that would have been contributed if the HRA had been established on January 1.

If you and/or your Spouse or Child become eligible for Medicare in the middle of a Plan Year, the Contribution credited to your HRA will be prorated so that you receive a prorated Contribution applicable to Pre-Medicare-Eligible individuals and a prorated Contribution applicable to Medicare-Eligible individuals for the portion of the Plan Year in which you, your Spouse, or your Child are Pre-Medicare-Eligible and are Medicare-Eligible, respectively. The Pre-Medicare-Eligible Contribution will be made on the date outlined above, and the Medicare-Eligible Contribution will be made when you, your Spouse, or your Child, as applicable, enrolls in Private Exchange Coverage.

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

If your Spouse or Child does not continuously maintain Qualifying Coverage, the Contribution already credited to your HRA for your Spouse or Child as of the date your Spouse or Child's Qualifying Coverage is terminated will remain credited to your HRA. After that, no further annual Contributions for your Spouse or Child will be made to your HRA.

Note: BAE Systems has the right to adjust or discontinue the Contribution at any time and for any reason. If this happens, you will be notified in advance.

Tax Information

An HRA is a tax-free account, so you generally do not pay taxes on Contributions made to your HRA or on Eligible Expenses reimbursed through your HRA for yourself and, if applicable, your Spouse or Child.

Highly Compensated Individuals

If you are a Highly Compensated Individual, HRA reimbursements may be limited or treated as taxable compensation to comply with Section 105(h) of the Internal Revenue Code (IRC), as determined by BAE Systems. If this applies to you, you will be notified.

Year-End Remaining HRA Balances

Except as provided in the Deadline for Claims section, you must file requests for reimbursements by March 31 of the year following the year you incur the claim. If you do not use the entire amount in your HRA in a given Plan Year, the unused remaining balance as of April 1 is automatically rolled over to the next Plan Year, as long as you continue to have Qualifying Coverage and remain eligible to participate in the Plan. However, if you lose eligibility to participate in the Plan because you are hired by the Company, any unused remaining balance will not be forfeited and will be available to you to reimburse Eligible Expenses incurred once you are again eligible to participate in the Plan.

You will receive an HRA balance reminder after January 1 of each year to confirm the annual funding has been made to your account for the year. You also will receive an HRA statement in the fourth quarter of each year showing your available balance and amounts paid to date. Your available balance and any Contribution or reimbursement history can be obtained at any time on the Alight YSA website or by calling Alight YSA at the number at the bottom of this page.

Eligible Expenses

You may use the amounts in your HRA to reimburse any of the Eligible Expenses listed below. Before you can be reimbursed for any Eligible Expense, such expense must first be verified by Alight YSA. Claims (i.e., reimbursement requests) that exceed the balance in your HRA as of the date on which the claim is processed will be reimbursed to the extent of the remaining value of your HRA. You may be reimbursed, up to the amount of your HRA balance, for Eligible Expenses paid at the end of a Plan Year for coverage that begins in the next Plan Year (for example, a medical premium for January coverage paid in December). If you use your entire HRA balance, any additional Eligible Expenses that you incur will not be reimbursed.

The following Eligible Expenses may be reimbursed through your HRA:

- Medical premiums (premiums paid on an after-tax basis for individual medical coverage);

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

- Dental premiums (premiums paid on an after-tax basis for individual dental coverage);
- Vision premiums (premiums paid on an after-tax basis for individual vision coverage);
- Prescription premiums (premiums paid on an after-tax basis for individual prescription drug coverage);
- Medicare Part B premiums;
- Medicare Advantage premiums;
- Medicare Part D premiums; and
- Premiums for Other COBRA Coverage.

End of Participation

When Participation Ends

Your participation in the Plan ends on the earliest of the following dates and as listed in your Plan Highlights:

- You die; or
- You stop being eligible for the HRA for any reason; or
- You are no longer enrolled in Qualifying Coverage; or
- The Plan is terminated.

Any Contributions credited to your HRA that remain after the deadline to submit reimbursements will be forfeited, except as provided above for Participants who are hired by the Company or below for Participants who die. The deadline to submit reimbursements is the earlier of (1) six months after you stop participating in the Plan or (2) March 31 of the year following the year in which you stop participating in the Plan, except as provided below.

Access to HRA After Death

Spouse Access: Notwithstanding anything to the contrary, if your participation ends due to your death, and your Spouse is enrolled in Qualifying Coverage at the time of your death, your Spouse will continue to have access to the amounts in your HRA at the time of your death. Each Plan Year during which Your Spouse continues to participate in the Plan, he or she must submit claims incurred in a Plan Year by March 31 of the following Plan Year. Further, your Spouse will receive a Contribution for each year that he or she is enrolled in Qualifying Coverage until the earlier of your Spouse's death or the termination of the Plan. If your Spouse does not remain enrolled in Qualifying Coverage, his or her participation in the Plan will end as of the date your Spouse is no longer enrolled in Qualifying Coverage. However, your Spouse will have access to amounts in the HRA for six months following the end of coverage for Eligible Expenses incurred prior to the termination of coverage. After the expiration of the six-month period, all amounts in the HRA will be forfeited.

Child Access: Notwithstanding anything to the contrary, if your participation ends due to your death, and your Child is enrolled in Qualifying Coverage at the time of your death, your Child or his or her legal representative will have access to amounts in your HRA for six months from your date of death for Eligible

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
 : 1 844 779 9565 (TTY use 711 relay)
 Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

Expenses incurred prior to your death. No additional Contributions will be made for your Child after your death. After the expiration of the six-month period, all amounts in your HRA will be forfeited.

If you are not married or your Spouse is not enrolled in Qualifying Coverage at the time of your death, your estate will continue to have access to amounts in your HRA for a period of six months following the date of your death for Eligible Expenses incurred prior to your death. After the expiration of the six-month period, all amounts in your HRA will be forfeited.

Continuing Coverage Under COBRA

If you, your Spouse, or your Child is enrolled in the Plan and experiences a loss of coverage under the Plan due to one of the COBRA Qualifying Events listed below, you, your Spouse or Child will be given the right to elect continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act (COBRA).

A COBRA Qualifying Event is a loss of coverage due to:

- Divorce
- Loss of eligibility of your Child

Divorce

If you and your Spouse divorce and your Spouse is not enrolled in Qualifying Coverage at the time of your divorce, your former Spouse has no right to the balance of the HRA as of the date of the divorce or to any future Contributions to your HRA (if applicable), except to the extent required by COBRA. If your former Spouse elects COBRA, an HRA will be established for the former Spouse with a balance equal to the balance in your HRA as of the date of the divorce.

To continue to participate in the Plan through COBRA and receive annual Contributions, your former Spouse must elect COBRA continuation coverage during the required timeframes. The cost for your former Spouse to continue to participate in the Plan will be the actuarial value of the average cost of the HRA plus 2% for administrative costs.

With COBRA coverage, your former Spouse will have a separate HRA which may be continued for up to 36 months as long as the former Spouse is eligible to participate in the HRA and pays for the cost of coverage. The former Spouse also must purchase Qualifying Coverage during the COBRA period. Failure to do so will cause the former Spouse to lose eligibility for coverage under the HRA.

Child's Loss of Eligibility

A Child will lose eligibility as a dependent under the Plan when the Child no longer meets the definition of "Child" as provided later in this document, or following your death. If this happens, your Child may continue to participate in the HRA under COBRA and receive annual Contributions, as long as the COBRA election is made within the required timeframe. The cost for your Child to continue to participate in the HRA will be the actuarial value of the average cost of the HRA plus 2% for administrative costs.

COBRA coverage for your Child may be continued for up to 36 months for as long as your Child pays for the cost of coverage. Your Child also must purchase Qualifying Coverage.

COBRA Notification

A notice regarding COBRA rights will be sent to you when you become eligible under the Plan. Your former Spouse and Child will also receive this notice upon the occurrence of one of the events above and again at the end of the COBRA continuation coverage period. In addition, a copy of the COBRA continuation notice is available upon request to the Alight.

Electing COBRA Coverage

The Plan Administrator will notify your former or surviving Spouse and Child that continuation coverage under COBRA is available. Upon notification, they will receive a more detailed explanation of COBRA rights and an application form.

Your former Spouse or Child will have 60 days to elect continued coverage from the later of the date they are notified of their eligibility to elect continued coverage or the date they lost access to your HRA. They will then have 45 days from the date they submit their application to make their first payment. Note that their Plan participation and required payments will be retroactive to the date they lost access to your HRA.

When COBRA Coverage Ends

Your former Spouse or Child's COBRA continuation coverage under the HRA will end on the earliest of the following:

- The date on which the payment is due (except for the first premium) if your former Spouse or Child, as applicable, does not make the payment within 30 days of the due date;
- The last day of the COBRA coverage period;
- The date on which BAE Systems terminates the Plan; or
- The date on which your former Spouse or Child, as applicable, obtains coverage under another group health plan.

Claims Information

How to Get Expenses Reimbursed

Alight YSA (the "Claims Administrator") administers the HRA for BAE Systems through a platform called "Your Spending Account" ("YSA"). Alight YSA is part of the BAE Systems Benefit Center. You can access Alight YSA via retiree.alight.com/baesystems OR through BenefitsNavigator. In this SPD, a claim for reimbursement from your HRA for Eligible Expenses received by either you, your Spouse, or your Child is referred to as "your claim."

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

A “claim” is a written request for benefits. A casual inquiry (even if it is in writing) regarding HRA eligibility requirements or a casual inquiry about benefits is not treated as a claim and is not subject to these claims and appeals procedures.

To the extent that you are submitting a written request for benefits outside the auto-reimbursement process, you must send your claims to the Claims Administrator (Alight YSA). Written claims must be submitted by U.S. mail, online, email, or fax.

Auto-Reimbursement

Auto-reimbursement is available for reimbursement of any Eligible Expenses. As described below, in some instances, you may be automatically enrolled in the auto-reimbursement program.

If You, Your Spouse, or Your Child Are Medicare-Eligible

In most cases, you are automatically enrolled in “auto-reimbursement” when you initially purchase Private Exchange Coverage. Once you have paid your premium, your premium will automatically be reimbursed to you from your HRA—up to the current balance. If you are not automatically enrolled in auto-reimbursement, you may file a request (online or paper) via the Premium Automatic Reimbursement Claim Form (PARC Form) to Alight YSA.

- Be sure to complete Section 1, adding your indicative information as the account holder, as well as your premium and its expense under Section 2 Account Holder- Premium 1.
- Premium for dependents should be added under Section 3-Dependent Premium.
- You have the ability to submit your forms through the paper method, fax or mail or online via the Alight YSA website.
- Remember PARC Forms are accountholder specific and are linked directly to your account.

Note: Most individual Medicare supplemental health care policy providers offer the auto-reimbursement option. If you enroll with a health care provider through Private Exchange Coverage that does not offer this option, you will be responsible for enrolling in auto-reimbursement or submitting claims for reimbursement of your premiums.

If you do not want to sign up for the auto-reimbursement feature or you want to disenroll from this feature at any time, contact Alight YSA via retiree.alight.com/baesystems. You may not enroll in auto-reimbursement if you are enrolled in Other COBRA Coverage.

If You and/or Your Spouse or Child Are Not Medicare-Eligible

If you would like to sign up for auto-reimbursement and you are enrolled in Private Exchange Coverage, you must file a request (online or paper) via the PARC Form and provide supporting documentation to Alight YSA to initiate auto-reimbursement for Eligible Expenses incurred by you, your Spouse or Child. Alight YSA will reimburse the first month and then set auto-reimbursement to recur for future months.

- Be sure to complete Section 1, adding your indicative information as the account holder, as well as your premium and its expense under Section 2 Account Holder- Premium 1.
- Premium for dependents should be added under Section 3-Dependent Premium.

- You have the ability to submit your forms through the paper method, fax or mail or online via the Alight YSA website.
- Remember PARC Forms are accountholder specific and are linked directly to your account.

Note: It is your responsibility to contact Alight YSA and Alight Retiree Health Solutions if you disenroll from coverage while you are receiving auto-reimbursement for Eligible Expenses related to such coverage. If you are enrolled in Off-Private Exchange Coverage, contact Alight YSA to see if you are eligible to enroll in auto-reimbursement. You may not enroll in auto-reimbursement if you are enrolled in Other COBRA Coverage.

Filing a Form for Reimbursement

When you incur Eligible Expenses that are not reimbursed through auto-reimbursement, go online to retiree.alight.com/baesystems and click on the HRA link to print and complete the Your Spending Account Claim form. If you do not have online access, contact Alight YSA. Through the Your Spending Account, you benefit from many conveniences that make submitting claims and getting reimbursed as effortless as possible.

Here is how:

- Reimbursement requests are processed daily;
- You can receive your money
 - By uploading your claims onto the website;
 - By faxing your claim form and copies of receipts to the dedicated fax number at 1 888 211 9900, or
 - By mailing the form and copies of receipt to the address below:

Your Spending Account Service Center
P.O. Box 64030
The Woodlands, TX 77387-4030

- You will be reimbursed by check. However, for faster reimbursement, you may sign up to have reimbursements electronically deposited to your bank account. With electronic reimbursement, these funds are immediately available to you; you do not need to wait for a check to clear.

Note: Banking laws do not permit electronic deposit (direct deposit) to international bank accounts. (This does not apply to U.S. territories such as Puerto Rico.)

Information Required for Reimbursement

To make a claim for reimbursement, complete the Your Spending Account Claim form. You must sign and date the form verifying the expenses have not been reimbursed by another policy or plan. You need to include supporting documentation with your claim form, showing the following:

- Premium amount(s) paid;
- Coverage period start date, typically the first day of the month; and

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

- Proof of payment.

Common documents may include:

- Bank statements;
- Copies of mailed checks; and
- Statements provided by your insurance carrier.

Note: Verbal or handwritten information, illegible receipts, credit card receipts, and statements with a forwarding balance will not be accepted. Receiving Reimbursements

You can only request and receive reimbursements for your Eligible Expenses up to your current HRA balance.

Deadline for Claims

If you become ineligible to participate in the Plan, you must file requests for reimbursements by the earlier of: (1) six months after you are no longer eligible under the Plan; or (2) March 31 of the year following the year you are no longer eligible under the Plan. (For example, you will not be eligible for an HRA under the Plan if you no longer meet the eligibility requirements for the Plan, if you do not enroll in any coverage, or your coverage ends due to nonpayment of premiums.) If you remain eligible to receive Contributions to your HRA, you must file requests for reimbursements by March 31 of the year following the year you incur the claim. Additionally, if your participation ends due to your death, see the When Participation Ends section above for the claims deadlines for your Spouse, your Child, and/or your estate.

Responding to Your HRA Claim

As explained above, reimbursement requests are processed daily. Once you have filed a claim, the Claims Administrator will notify you of its decision as soon as practical, but no later than 30 days after receipt of your claim. If you do not follow the required procedures for filing a claim, the Claims Administrator will notify you and explain the proper procedures to follow in filing your claim.

Additional Information Required

If Aight YSA, the Claims Administrator, needs information to process your claim, the Claims Administrator will notify you, in writing within 30 days after receiving your claim, of the specific information required and the date when you can expect a determination. This date will be no later than 45 days after the date you filed your initial claim. You will have 45 days to provide the additional information. The determination period to respond to your claim will be suspended as of the date the Claims Administrator sends the notice and will resume again once you have provided the additional information or upon the expiration of the 45-day period for you to provide information, whichever is earlier.

If you do not provide the requested information within the specified timeframe, the Claims Administrator will decide the claim without the requested information.

Extensions

If the Claims Administrator, due to reasons beyond its control, determines that extra time is required to process your claim, it will notify you in writing of the reasons for the extension and the new due date for its

January 1, 2023

Aight YSA and Aight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

response to your claim. The Claims Administrator will notify you of the extension within 30 days after its initial receipt of your claim. The new due date will be no later than 45 days after the date you filed your initial claim.

If Your Claim Is Denied

If your claim is denied, in whole or in part, the Claims Administrator will send you a written notice of its decision including:

- The specific reason(s) for the denial of the claim;
- Reference to the specific Plan provision(s) on which the denial is based;
- A description of any additional information necessary for your claim to be granted, as well as an explanation of why such information is necessary;
- A description of the Plan's appeal procedures and the time limits under those procedures, including your right to bring a civil action under Section 502(a) of ERISA if the appeal of your claim is denied; and
- If applicable, a copy of the internal rule, guideline, or protocol that was relied upon to make the determination for your claim.

To the extent you would like to perfect your claim by providing specific information requested by Alight YSA, please submit relevant information to Alight YSA. Please note that perfecting your claim will not be treated as an appeal. To request an appeal, you must follow the procedures outlined below.

Appealing Your Claim

If your claim is denied, you will have 180 days following the receipt of the denial notice to file a written appeal with

BAE Systems, Inc.
Attn: Benefits COE
2941 Fairview Park Drive
Falls Church, VA 22041

(the "Appeals Reviewer"). The following procedures will apply in considering your appeal.

Contact Alight YSA for an appeal form.

- You may submit written comments, documents, records, and other information relevant to your claim.
- Upon request, you will be provided (free of charge) copies of all Appeals Reviewer's documents, records, and other information relevant to your claim.
- The review of your appeal will consider all comments, documents, records, and other information you submit on the appeal and will not afford deference to the initial denial of your claim.
- The review of your appeal will not be conducted by the same person (or his or her subordinate) who originally denied your claim.
- The Appeals Reviewer will notify you, in writing, of its decision of your appeal as soon as possible, but no later than 60 days after its receipt of your appeal request. If the Appeals Reviewer determines that an extension of time for processing the claim is needed, it will notify you of the reasons for the extension and the extended due date before the end of the 60-day period.

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

If Your Appeal Is Denied

If your appeal is denied, you will receive written notice of the decision, including the following information:

- The specific reason(s) for the denial of the claim;
- Reference to the specific Plan provision on which the denial is based; and
- If applicable, a copy of the internal rule, guideline, or protocol that was relied upon to make the claim determination.

Upon request to the Appeals Reviewer, you will also be provided (free of charge) copies of all of the documents, records, and other information relevant to your claim.

You will have the right to bring a voluntary internal appeal and/or a civil action under ERISA Section 502(a). You must appeal your claim, and that appeal must be denied by the Appeal Reviewer, before you may bring a voluntary internal appeal or a civil action under ERISA. You and your Plan may also have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your state insurance regulatory agency.

Voluntary Internal Appeal

If, after exhausting the claims and appeals steps above, you still feel that your claim has been denied in error, you may request a voluntary internal appeal from the BAE Systems Appeals Committee (“Appeals Committee”).

If you wish to voluntarily appeal a claim decision eligible for a final voluntary appeal, you must file a request within 60 days of receiving the final denial of your appeal. To obtain a copy of a voluntary appeal request, please contact Alight YSA Service Center, P.O. Box 64030, The Woodlands, TX 77387-4030 or call using the information at the bottom of the page. You must submit your completed voluntary appeal request to:

BAE Systems Appeals Committee
c/o Groom Law Group, Chartered
1701 Pennsylvania Avenue NW
Washington, DC 20006

All requests for a voluntary internal appeal must be in writing and include the basis for the claim, your Social Security number, a copy of the denial letter(s), and any other pertinent information that you wish the Appeals Committee to consider in its decision.

Every voluntary internal appeal under the Plan will be evaluated carefully by the Appeals Committee. The Appeals Committee will review the materials used to reach the claim decision and appeals decision by the Claim Administrator and Appeals Reviewer, in addition to any additional comments, documents, records, and/or other materials that you include in the appeal.

The Appeals Committee will make an independent determination based on the terms of the Plan and other controlling documents, and will not give deference to the decision reached by any previous decision maker. The Plan Administrator will provide reasonable access to copies of documents, records, and other information relevant to the claim decision upon request. Relevant information means information:

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

- Relied upon in the benefit determination;
- Submitted, considered, or generated in the course of benefit or eligibility determination;
- Demonstrating compliance with plan administrative procedures; or
- Constituting a policy statement or guidance concerning the denial, regardless of whether it was relied upon.

Upon timely receipt of a voluntary internal appeal, the Appeals Committee will evaluate the appeal and will make a determination as expeditiously as possible. A voluntary internal appeal is not subject to the timelines under ERISA or the Patient Protection and Affordable Care Act, and it is not subject to any timeframes that may be listed herein related to mandatory appeals. The Plan Administrator will notify you in writing of the decision on the voluntary internal appeal.

No fees and costs are imposed on you as part of the voluntary level of appeal. To the extent that you do not elect to submit a voluntary appeal with regard to any claim, the Plan shall not assert that you have failed to exhaust administrative remedies due to your failure to file a voluntary appeal. The Plan will provide you, upon request, sufficient information relating to the voluntary level of appeal to enable you to make an informed judgment about whether to submit a benefit dispute to the voluntary level of appeal, including: (i) a statement that your decision as to whether or not to submit a benefit dispute to the voluntary level of appeal will have no effect on your rights to any other benefits under the Plan; (ii) information about the applicable rules relating to voluntary appeals; (iii) your right to representation throughout the voluntary appeals process; (iv) the process for selecting the Appeals Committee, and (v) the circumstances, if any, that may affect the impartiality of the Appeals Committee.

Any statute of limitations or other defense based on timeliness is tolled during the time that a voluntary appeal is pending before the Appeals Committee.

Deadline for Taking Legal Action

If your appeal is denied and you want to bring legal action under Section 502(a) of ERISA, you must do so by no later than the earlier of:

- One year after the date the denial of your appeal is issued; and
- The last day on which legal action could begin under the applicable statute of limitations under ERISA, including any state statute of limitations.

Uncashed Checks

Any check issued to you for benefits under the Plan must be cashed by the end of the calendar year immediately following the calendar year in which the check was issued. If the check is not cashed by such date, the amount attributable to such check will be forfeited to and cease to be a liability of the Plan, and you shall have no further claim to such amount for any reason. For example, a check issued on August 1, 2020 must be cashed by December 31, 2021.

Administrative Information

Discretionary Authority of the Plan Administrator

The Plan Administrator has responsibility for the interpretation and construction of the Plan and final authority for the operation and administration of the Plan, including its day-to-day operation and administration. The Plan Administrator's failure to enforce any provision of the Plan shall not affect its right to later enforce that provision or any other provision of the Plan. The Plan Administrator may delegate some of its administrative duties to agents.

Clerical Error

A clerical error or other administrative error does not create benefits under the Plan. You are responsible for the accuracy of information pertaining to your participation in the Plan including, but not limited to, your birthday, address, and Social Security number.

Plan Termination

The Board of Directors of BAE Systems, Inc. ("Board of Directors"), through a formal resolution (or any person, entity, committee, or group duly authorized by the Board of Directors), has the right to make at any time any modification, amendment, or amendments to the Plan; however, no amendment will have any retroactive adverse effect on a Participant, unless the Board of Directors determines such amendment is necessary or desirable to comply with applicable law. In addition, the Plan may be amended from time to time by formal action of the Plan Administrator specifying such amendment, but subject to the following limitations:

- (a) such amendment must be ministerial in nature, or
- (b) such amendment must be considered necessary or desirable by the Plan Administrator to ensure that the Plan is in compliance with applicable legal requirements (including legislation and regulations).

If the Plan is terminated, you may not be reimbursed for any expenses incurred on or after the Plan's termination date, and you will need to file requests for reimbursement for expenses incurred before the termination date by the filing deadline established by the Plan Administrator. The Claim Administrator will not accept reimbursement requests filed after the deadline. Contributions, if any, that remain credited to any HRA after timely filed requests for reimbursement have been processed will be the sole property of BAE Systems.

Nonassignment of Benefits

Assignment or alienation of any reimbursements provided by the Plan will not be permitted or recognized except as otherwise required by applicable law. This means that, except as required by applicable law, reimbursements provided under the HRA are not subject to sale, assignment, anticipation, alienation, attachment, garnishment, levy, execution, or any other form of transfer. Generally, state and local laws will not be recognized unless permitted or required by an applicable federal law, such as ERISA.

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

Name of the Plan

BAE Systems, Inc. Retiree Welfare Benefit Plan

Plan Sponsor

BAE Systems, Inc.
2941 Fairview Park Drive
Falls Church, VA 22042

Plan Administrator

BAE Systems Administrative Committee
2941 Fairview Park Drive
Falls Church, VA 22041

Plan Year

The plan year is the calendar year (January 1 through December 31).

Employer Identification Number

22-3537950

Plan Number

515

Plan Type

The Plan is an employee welfare benefit plan under ERISA. The Plan is intended to qualify as an employer-provided medical reimbursement plan under Code section 105 and 106 and the regulations issued thereunder, and as a health reimbursement arrangement as defined under IRS Notice 2002-45.

Plan Funding

The Plan is funded through employer contributions. The Plan is partially self-funded and partially funded through one or more trusts.

Plan Administration

The Claims Administrator is a third-party administrator, Alight YSA (through its Your Spending Account).

Agent for Service of Legal Process

BAE Systems Administrative Committee

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

Glossary

Administrator or Plan Administrator

BAE Systems Administrative Committee.

Alight Retiree Health Exchange

An independent medical plan exchange that contracts with medical carriers to offer individuals a variety of individual medical, dental, and vision policies and offers assistance in helping you choose the one that best meets your health care coverage needs. With respect to individuals who are Pre-Medicare-Eligible, this term shall also refer to e-Health.

Appeals Reviewer

The Plan Administrator, or the entity, group, or individual delegated the authority to decide appeals of claims under the Plan by the Plan Administrator.

Child

Your (except for Child who has elected continuation under the Plan) biological child, stepchild, legally adopted child, child placed for adoption, foster child, child for which the individual is the legal guardian, who has not attained age 26 or who has been determined by the Plan Administrator to be disabled prior to attaining age 26, and who is designated in writing as your Child in accordance with Plan procedures at the time of your retirement. If you are divorced, and either you or your ex-spouse has custody of the child for more than half of the calendar year and you and your ex-spouse together provide more than half of the child's support for the calendar year, your child may be treated as your dependent under the Plan. Notwithstanding the foregoing, the Plan will provide Benefits in accordance with the applicable requirements of any QMCSO, even if the child does not meet the definition of "Child." If you would like additional information regarding the Plan's QMCSO procedures, please contact the Claims Administrator.

Claims Administrator

Alight YSA, through the Your Spending Account.

Code

Internal Revenue Code of 1986, as amended from time to time.

Company or BAE Systems

BAE Systems, Inc. or entities under common control with BAE Systems, Inc. In the event of a reorganization, merger, or similar transaction affecting the Company, any successor entity that may adopt the Plan for the benefit of eligible retirees of such successor.

Contribution

The amount, in U.S. dollars, determined upon initial enrollment and annually thereafter in the sole discretion of the Plan Administrator and credited to a Participant's HRA.

Domestic Partner

An individual of the same sex with whom a Participant is in a qualifying domestic partnership, who is the Participant's tax dependent under the Internal Revenue Code, and who has been designated by the Participant as his or her Domestic Partner in writing in accordance with Plan procedures at the time of the Participant's retirement.

ERISA

Employee Retirement Income Security Act of 1974 and all amendments thereto and regulations thereunder.

Highly Compensated Individual

An individual defined under Section 105(h) of the Internal Revenue Code (IRC), as amended, as a "highly compensated individual."

HRA

The BAE Systems-funded non-interest-bearing recordkeeping health reimbursement arrangement account under the Plan, established for a Participant and his or her eligible Spouse or and Child.

Medicare

The program administered by the United States government, providing health insurance coverage to people who are age 65 and over, to those who are under age 65 and are permanently physically disabled or who have a congenital physical disability, and to those who meet other special criteria.

Medicare Eligible (Medicare-Eligible)

An individual who is eligible for Medicare benefits due to age or disability.

Off-Private Exchange Coverage

Individual, non-group medical, dental, or vision coverage offered in the individual market within a state that is sold by Alight Retiree Health Solutions or its affiliates including eHealth, Inc. This includes individual medical, dental or vision coverage that is sold by brokers. Only individuals who are Pre-Medicare-Eligible can enroll in Off-Private Exchange Coverage to become, and remain, eligible for the Plan.

Other COBRA Coverage

COBRA continuation coverage through a BAE Systems-sponsored medical, dental, or vision plan that you were enrolled in on the day before your retirement. Only individuals who are Pre-Medicare-Eligible can enroll in Other COBRA Coverage to become, and remain, eligible for the Plan

Participant(s)

An eligible retiree, surviving Spouse, or a former Spouse or Child who has elected continuation under the Plan who satisfies the requirements of and receives benefits under the Plan.

Plan

The BAE Systems, Inc. Retiree Health Reimbursement Account Plan, which is a health reimbursement arrangement.

Pre-Medicare-Eligible

An individual who is not Medicare-Eligible.

Private Exchange Coverage

Medical, dental, or vision coverage through Alight Retiree Health Solutions the purchase of which is facilitated by eHealth, Inc. and/or any of its affiliates.

Qualifying Coverage

Private Exchange Coverage, Off-Private Exchange Coverage (for Pre-Medicare-Eligible individuals only), and Other COBRA Coverage.

Spouse

An individual who is lawfully married to a Participant (other than a former Spouse or Child who has elected continuation under the Plan) and not legally separated, has been designated by the Participant as his or her Spouse in writing and in accordance with Plan procedures at the time of the Participant's retirement. An individual shall be considered lawfully married regardless of where the individual is domiciled if either of the following are true: (1) the individual was married in a state, possession, or territory of the U.S. and the individual is recognized as lawfully married by that state, possession, or territory of the U.S.; or (2) the individual was married in a foreign jurisdiction and the laws of at least one state, possession, or territory of the U.S. would recognize the individual as lawfully married. An individual is not an Eligible Spouse if he or she is also a Participant.

Domestic Partners will be treated as Spouses under this Plan. . If you have any questions, please contact the BAE Systems Benefits Center.

You

Wherever used in this document, "you" refers to a Participant, unless otherwise specified.

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: **1 844 779 9565** (TTY use **711** relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

Your ERISA Rights

Your Rights Under ERISA

As an individual participating in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (“ERISA”). ERISA provides that all plan participants are entitled to:

Receive Information About the HRA

- Examine, without charge, at the Plan Administrator’s office and at other specified locations, all documents governing the Plan, including insurance contracts, collective bargaining agreements, and copies of all documents filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration, such as detailed annual reports.
- Obtain, upon written request to the Plan Administrator, copies of all plan documents and other plan information. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan’s annual information report. The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report.

Enforce Your Rights

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefits plan. The people who operate your Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of the Plan Participants and beneficiaries. No one, including your Employer, your union, or any other person, may discriminate against you in any way to prevent you from obtaining a Benefit from the Plan or from exercising your rights under ERISA.

If your claim under the Plan is denied or ignored in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim under the Plan which is denied or ignored in whole or in part, and if you have exhausted the claims procedures available to you under the Plan, you may file suit in a state or federal court. In addition, if you disagree with the Plan’s decision or lack thereof regarding the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court.

If it should happen that Plan fiduciaries misuse the Plan’s money or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

January 1, 2023

Alight YSA and Alight Retiree Health Solutions can be reached at.
retiree.alight.com/baesystems
: 1 844 779 9565 (TTY use 711 relay)
Monday through Friday from 9 a.m. to 9 p.m. Eastern time (except holidays)

Assistance with Your Questions

If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration (“EBSA”), U.S. Department of Labor, listed in your telephone directory.

You may also contact the:

Division of Technical Assistance and Inquiries
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue N.W., Washington, D.C. 20210

or by telephone at 1 866 444 3272.

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration. Additional information may be obtained from the Department of Labor’s website at www.dol.gov/ebsa.

An Important Note About Your Privacy

The Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) provides you with certain rights pertaining to your coverage.

HIPAA requires that health plans protect the confidentiality of your private health information. This Plan, and the Plan Sponsor, will not use or further disclose information that is protected by HIPAA (“protected health information”) except as necessary for treatment, payment, health plan operations and plan administration, or as permitted or required by law. By law, the Plan has required all of its business associates to also observe HIPAA’s privacy rules. In particular, the Plan will not, without authorization, use or disclose protected health information for employment-related activities and decisions or in connection with any other benefit or employee benefit plan of the Plan Sponsor.

Under HIPAA, you have certain rights with respect to your protected health information, including certain rights to see and copy the information, receive an accounting of certain disclosures of the information and, under certain circumstances, amend the information. You also have the right to file a complaint with the Plan or with the Secretary of the U.S. Department of Health and Human Services if you believe your rights under HIPAA have been violated.

This Plan maintains a privacy notice, which provides a complete description of your rights under HIPAA’s privacy rules. For a copy of the notice, or if you have questions about the privacy of your protected health information, please contact Brian Cellone, HIPAA Privacy Officer.

© January 1, 2022 BAE Systems, Inc. All rights reserved.